

AR51

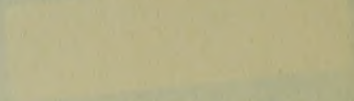
Webb

DUMONT NICKEL CORPORATION

MAY 31 1963

1963

Annual Report



UNIVERSITY OF MICHIGAN LIBRARY

MAY 31 1963

Library of Congress

DUMONT NICKEL CORPORATION

(NO PERSONAL LIABILITY)

Head Office: 715 Third Avenue, Val d'Or, Quebec

Incorporated under the Quebec Mining Companies Act

By Letters Patent—22nd. Sept. 1954

Capitalization 6,000,000 shares

Issued and Fully Paid 3,505,703 shares

OFFICERS and DIRECTORS

President G. H. Dumont, Consulting Engineer,
Val d'Or, Quebec.

Secretary-Treasurer Rex H. Smith, Registered Public Accountant,
Val d'Or, Quebec.

Vice-President
and Director J. H. Kentish, Business Executive,
Malartic, Quebec.

Director J. P. Berube, Mining Contractor,
Val d'Or, Quebec.

Director G. R. Landry, Business Executive,
Val d'Or, Quebec.

AUDITORS

Belanger & Lhoumeau, Chartered Accountants, Val d'Or, Quebec.

REGISTRAR and TRANSFER AGENTS

Chartered Trust Company, Montreal and Toronto.

DUMONT NICKEL CORPORATION

PRESIDENT'S REPORT

To the Shareholders:

The fiscal year 1962-63 has been again a very active period for your Company.

Firstly, it has taken an active part in the development works of the molybdenite mine of Anglo American by its management and its loans to Anglo. There are now more than 3,300,000 tons of molybdenite-bismuth ore indicated from surface down to the 400-foot horizon. The vertical shaft is now being deepened.

Secondly, Dumont Nickel has spent \$80,000.00 to drill and explore the Louvicourt property of Abitibi Metals, and a new company called Abitibi Copper Mines Ltd. has been organized with a capitalization of 5,000,000 shares. Your Company is controlling this new company with 1,300,000 shares. In a recent report, John A. Honsberger, consulting engineer, states as follows: "Recent drilling has outlined a copper body over a minimum strike length of 250 feet and to a depth of 800 feet down dip. Diamond drill indicated tonnage in two distinct zones totals 367,000 tons, with an average copper content of 0.82% Cu per ton." and he recommends further deep drilling.

Finally this last spring, Dumont Nickel has acquired by staking a large property in ranges VI, VII and VIII of Preissac Township on the main Marbridge "Nickel Break" next to a recent and important nickel discovery. Some work will be done thre this summer, but most of it will be done next fall and winter over the ice of Preissac Lake.

On behalf of the Board,

May 11, 1963.

G. H. Dumont, President.

GENERAL MANAGER'S REPORT TO SHAREHOLDERS

Your Company has again demonstrated its ability to make good progress in our development programme of expansion.

This past year your Company's activities were in many fields — but importance was focused on their optioned property in Louvencourt Township, Quebec. From the limited work done by drilling so far, this property looks very encouraging and the option was exercised in full. A new company, "Abitibi Copper Mines Limited", was formed. Taking stock in this company, in lieu of development costs, gives Dumont Nickel 70% interest in "Abitibi Copper". Further development of this property is now being planned.

Dumont's new large property in Preissac Township also looks very promising. With nickel discoveries on each side of this property an exploration programme is now planned for early this fall — chances for Dumont here look exceptionally good. Dumont's main holdings, of course, remain in Angelo American where a large ore-body has already been proven, and Dumont continues to assist in financing and management of this company.

Your Company now holds many fine looking future exploration bets and the management is now giving much of its time and financing efforts to Anglo American. However, once Anglo has been financed to production — which should be in the very near future — your management then feels a period of consolidation of Dumont's holdings should be undertaken and re-evaluated for their economical values, and that future financing plans and explorations should be concentrated on the development of these holdings.

Your Company has ample funds on hand to carry out a programme as outlined above. Also if any financing help were needed, your management feels that Dumont's holdings are such that this would present no problems.

J. H. Kentish,
Vice President and General Manager.

DUMONT NICKEL CORPORATION

(NO PERSONAL LIABILITY)

Val d'Or, Que.

BALANCE SHEET

as at 31st January, 1963

ASSETS

CURRENT ASSETS:

Cash in Bank	\$ 33,493.12	
Dominion of Canada Bonds	1,000.00	
Note Receivable-Director	15,050.00	
Note Receivable-Anglo American Molybdenite Mining Corporation (N.P.L.)	230,000.00	
Advances to Abitibi Copper Mines Ltd (N.P.L.)	273.13	\$279,816.25

INVESTMENTS:

591,250 Shares of Anglo American Molybdenite Mining Corporation (N.P.L.) at cost (Market Value on May 10th, \$1,288,925.00)	\$114,125.00	
1,295,000 Shares of Abitibi Copper Mines Ltd of which 445,500 shares are pooled at cost (Note 1)	81,000.00	195,125.00

FIXED ASSETS:

Mining Claims under Development Licenses acquired by the issue of 960,000 Shares of the Capital-Stock valued by the Directors at \$0.10 per share of which 40,000 were returned to the Company and held in trust	\$ 96,000.00	
Unpatented Mining Claims acquired by the issue of 40,000 Shares of the Capital Stock of the Company and \$3,600.00 in cash	7,600.00	
Options forfeited	10,711.20	
Equipment	700.00	115,011.20

EXPLORATION AND DEVELOPMENT EXPENSES

Schedule "A"	161,263.86
--------------------	------------

GENERAL AND ADMINISTRATIVE EXPENSES

Schedule "A"	56,071.93
--------------------	-----------

ORGANIZATION EXPENSES

3,995.00
<u>\$811,283.24</u>

NOTE 1:

No value was placed on Abitibi Copper Mines Limited shares as this is a new subsidiary of Dumont Nickel corporation and the shares are not being traded publicly.

APPROVED ON BEHALF OF THE BOARD:

Director: J.P. Berube

Director: J.H. Kentish

THE ABOVE IS THE BALANCE SHEET REFERRED TO
IN OUR REPORT TO THE SHAREHOLDERS DATED MAY 11, 1963.

BELANGER & LHOUMEAU,
Chartered Accountants.

LIABILITIES

CURRENT LIABILITIES:

Account Payable	\$ 14,080.70	
Tax Deducted at source	15.30	\$ 14,096.00

CAPITAL:

Authorized:

6,000,000 Shares of \$1.00 each			
Par Value	\$6,000,000.00		
Issued and Fully Paid: (Note 2)			
3,505,703 Shares of \$1.00 each		\$3,505,703.00	
Less: Discount thereon	\$2,810,491.25		
Commissions and Selling Expenses	76,110.30	2,886,601.55	619,101.45

CAPITAL SURPLUS:

Profit on sale of investments	178,085.79	
		<u>\$811,283.24</u>

NOTE 2:

Shares issued for cash:			
3 shares at \$1.00		\$	3.00
480,700 shares at prices ranging			
from \$0.40 to \$0.80		\$	241,708.75
Less: Commissions	\$ 28,197.11		
Selling Expenses	47,913.19	76,110.30	165,598.45
250,000 shares at \$0.30			75,000.00
400,000 shares at \$0.20			80,000.00
200,000 shares at \$0.15			30,000.00
300,000 shares at \$0.12			36,000.00
575,000 shares at \$0.10			57,500.00
Shares issued for Diamond			
Drilling Services:			
300,000 shares at \$0.25			75,000.00
Shares issued for Mining Claims:			
1,000,000 shares at \$0.10			100,000.00
<u>3,505,703 shares for</u>			<u>\$619,101.45</u>

May 11, 1963.

To the Shareholders of

“Dumont Nickel Corporation”

(No Personal Liability)

We have examined the books and accounts of Dumont Nickel Corporation (No Personal Liability) for the period from 22nd September, 1954 date of Incorporation, to 31st January, 1963, and have obtained all the information and explanations we have required.

Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the attached Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st January, 1963, according to the best of our information and the explanations given to us and as shown by the books of the Company.

BELANGER & LHOUMEAU,

Chartered Accountants.

DUMONT NICKEL CORPORATION

(NO PERSONAL LIABILITY)

EXPLORATION and DEVELOPMENT EXPENSES

for the period ended 31st January, 1963

	Balance as at 5th Feb. 1962	Additions	Balance as at 31st Jan. 1963
Diamond Drilling	\$ 71,733.95	\$ 8,351.10	\$ 80,085.05
Assaying	3,590.00	687.00	4,277.00
Magnetometer Survey	8,611.94	2,337.50	10,949.44
Core Boxes and Handling	567.20		567.20
Property Investigation	4,095.00		4,095.00
Staking	863.00	100.00	963.00
Trenching and Line Cutting	6,680.74		6,680.74
Engineering Fees and Expenses	13,896.05	2,543.19	16,439.24
Management and Supervision- Director	14,775.00	15,000.00	29,775.00
Licenses	4,645.00	1,020.18	5,665.18
Materials and Supplies	967.28	320.63	1,287.91
Transportation and Travelling	479.10		479.10
	<u>\$130,904.26</u>	<u>\$ 30,359.60</u>	

Exploration and Development Ex-
penses as at 31st January 1963

\$161,263.86

DUMONT NICKEL CORPORATION

(NO PERSONAL LIABILITY)

GENERAL and ADMINISTRATIVE EXPENSES

for the period ended 31st January, 1963

	Balance as at 5th Feb. 1962	Additions	Balance as at 31st Jan. 1963
Trustees' Fees and Expenses	\$ 3,143.89	\$ 1,395.50	\$ 4,539.39
Legal and Audit Fees	10,350.59	3,961.77	14,312.36
Office Rent and Secretary Services	11,155.00	4,900.00	16,055.00
Travelling Expenses	4,179.23	170.63	4,349.86
Telephone	2,394.72	417.43	2,812.15
Insurance		203.70	203.70
Postage, Stationery and Printing	3,002.20	242.31	3,244.51
Shareholders' Information	6,068.62	1,992.30	8,060.92
Directors' Fees	650.00	400.00	1,050.00
Taxes	175.00	363.97	538.97
Other Expenses	7.78	897.29	905.07
	<u>\$ 41,127.03</u>	<u>\$ 14,944.90</u>	

General and Administrative Ex-
penses as at 31st January 1963

\$ 56,071.93

